

APAA Show
Special Coverage

CS150 -3 11/8/82

02-09657-83 12P90
101549947 P242000 DEC83
CONGRESSIONAL SOURCE INFO
SRI ACQUISITIONS
4520 EAST/WEST HIGHWAY
BETHESDA MD 20814

Discount Store News®

THE NEWSPAPER OF THE DISCOUNT DEPARTMENT STORE INDUSTRY

\$2 a copy

VOL. 21, NO. 22

Published Biweekly, Every Other Monday, Monthly in December, by Lebhar-Friedman Inc.

NOVEMBER 1, 1982



Discount Store News®

THE NEWSPAPER OF THE DISCOUNT DEPARTMENT STORE INDUSTRY

VOL. 21, NO. 22

Published Biweekly, Every Other Monday, Monthly in December, by Lebhar-Friedman Inc.

\$2 per copy
NOVEMBER 1, 1982

The branded apparel merchandising effort at K mart, Wayne, N.J., includes "names for less" sign on a three-tier, semicircular rack stocking Crazy Horse coordinates. (DSN photo)

K mart in Major Test Of Branded Apparel

By ARTHUR MARKOWITZ

TROY, Mich.—K mart has made a major plunge into name brand apparel merchandising.

The move—a test—is seen as markedly upgrading the discounters' soft goods, particularly ladies' wear where the infusion of branded lines is most evident.

Header signs and posters on top of racks proclaiming "brands for less" single out the fixtures that offer such labels as Crazy Horse and Villager in ladies' wear, Adolfo and Henry Grethel in men's apparel and Fawn and Health Tex in children's goods.

As part of its move, K mart has developed a special ticket for branded goods that has a "compare at" price for what the same merchandise would cost in a conventional department store, plus a lower, discounted price charged by K mart.

The name brand test is currently under way in six K marts. One, the Wayne, N.J., store, is also merchandising Capezio shoes. The store is the only K mart reportedly experimenting with the "brands for less" effort in shoes.

K mart officials declined to comment on the test and whether the merchandise represents opportunistic buys or part of what will become a continuity program for name brand apparel.

(Continued on page 54)

Lifestyle Items to the Fore

New Prange Way Joins Upscale Ranks

By MARILYN NEERMAN

GREEN BAY, Wis.—Prange Way's newly unveiled prototype puts it in the ranks of the upscale discount chains.

The 85,000-sq.-ft. store, opened in Green Bay's new East Town shopping center, anchored by Prange Way and Kohl's, did it with a long list of innovative merchandising and presentation concepts. Among them:

- A lifestyle merchandising

Photos, floor plan p. 53.

orientation gave prime real estate—to the right of the entrance—to the bath shop and a hostess/serving section of housewares.

• Wood slat "focal" displays were used in each corner of the apparel departments, instead of mannequins. Focal walls were used for apparel displays at the back of the departments, drawing the customers' attention from the front through the entire area.

- The consumer electronics department, also earmarked as a lifestyle segment, was designed with a custom four-way display for home computers. Video

games also got custom treatment with a wall designed to permit customers to try the game of their choice before

(Continued on page 51)



A 15-ft. wall displays video games at Prange Way while a recorder in the backroom keeps them playing on the TV screens. With help from an employee, customers can try the games of their choice.

More Discounters Offer Cut-price Designer Lines

By BETTY J. TAYLOR

What do Liz Claiborne, Evan Piccone, Anne Klein, Jones of New York and Crazy Horse have in common besides their department store status logos?

They're showing up with greater frequency in discount stores, tagged at 20% to 60% off regular price.

K mart, Gold Circle, Times Square Stores and Ann & Hope—following in the footsteps of successful specialists like Marshalls and T. J. Maxx—are the latest to move deeper into a category that got its start in discount with status jeans.

Other chains like Wal-Mart are closely monitoring this business, which is, in large part, calculated to bring a higher-income customer into the store.

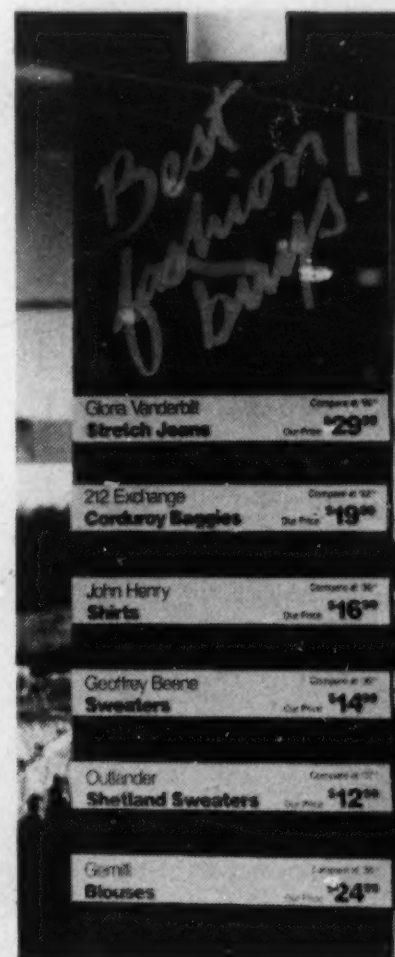
Approaches vary from K mart's mixing off-price goods branded throughout its traditional apparel selections (see story this page) to Gold Circle's building a "Famous Brands For Less Shop" in the middle of ready-to-wear in 10 test stores.

For now, though, most chains in the discount industry are electing to watch from the sidelines.

Skeptics contend goods are too hard to come by and therefore limit merchandise continuity; also, demand for the well-known goods have shaved margins thin.

But, most of the controversy turns on one poignant question: What do these labels and their generally higher prices really mean to discounter clientele?

James Guinan, chairman of Gold Circle, believes "our upscale customers appreciate the trade-up, and we hope to



A recent department store study confirmed upstairs chains have reason to fear the new wave of off-price apparel discounters (inset). Gold Circle is among the latest to discount brand name apparel. The Cincinnati unit (above) is one of 10 stores testing the program. (Photo: Bruce Crippen)

Dept. Stores Ask:

- Are branded apparel discounters big enough to worry us?
Yes.
- Isn't their customer different from ours?
No. They're virtually identical.
- Have department store mistakes helped them?
Yes.
- Can their apparel merchandise be compared to ours?
Unfortunately, yes.

attract a new customer, one who now tends to shop us for hard lines only."

That new customer looks worth going after.

Industry estimates say the discounter branded apparel market will grow to \$14 billion by 1985. With discretionary income shrinking, discounters can't afford to let that customer leave the store.

Adding to the pro off-price apparel argument is evidence more goods are available. Albeit for the most part the goods come through the backdoor,

there are signs manufacturers are interested in widening distribution.

"Famous makers don't mind the business," said Greg Cichocki, Gold Circle's off-price merchandise manager. "But, it takes building trust among us and the designer/brand houses."

The trust usually involves stipulations. "We use the T. J. Maxx and Marshalls [advertising] strategy: never mention names," explained an executive for another chain.

(Continued on page 54)

Digest Nov. 1, 1982

SPECIALTY DISCOUNTERS

- Despite an earnings decline of 52% for the first six months of the year, Oshman's is optimistic. (p. 17)

H&BA

- Buyers turning to diverters and jobbers for prestige fragrances question whether current availability signals a long-term trend. (p. 19)

AUTOMOTIVE

- Automotive buyers spent this year correcting their mistakes of 1981 and will be shopping the APAA show for earlier deals and middle-of-the-road price points. An in-depth report on the category begins on page 23.

HOUSEWARES

- This month's Product Movement Audit highlights bestsellers in New England in four categories. (p. 20)

Index

Catalog Showroom News ..	16	Pilferage Prevention	48
Classified	49-50	Product Movement Audit	
Editorial	14	Automotive	40
Managing Editor's		Housewares	20
Notebook	14	Washington Beat	14

Discount Store News (ISSN 0012-3587) is published biweekly—every other Monday by Lebhar-Friedman Inc., 425 Park Ave., New York, N.Y. 10022. Second class postage paid at New York, N.Y., and additional mailing offices.

BEST AVAILABLE COPY

HOUSEWARES

\$ Rank	Item	Unit Movement	Average \$ Retail	Total \$ Movement
GLASSWARE				
1	3600/672A Anchr Hckng Entrtnr set	1,257	28.79	36,189.03
2	N3600 Anchr Hckng Westwood, 24 pc, gold	1,309	16.19	21,192.71
3	4200 Anchr Hckng Forest 24-pc set, crstl	1,419	13.49	19,142.31
4	82437D Lbby Cntry Sqr 24 pc, blue	667	27.44	18,302.48
5	82486B Lbby 24-pc Bolero, blue	928	17.09	15,859.52
6	Y4200 Anchr Hckng Forest 24-pc set, brown	1,123	13.49	15,149.27
7	82486K Lbby 24-pc Bolero, gold	848	17.09	14,492.32
8	82430K Lbby Cntry Grdn, 24 pc, gold	656	21.59	14,163.04
9	225/3109E Anchr Hckng cry sham 9 oz	21,192	0.62	13,139.04
10	2152CV/240 Anchr Hckng Roses bvrq, 4 pk	2,770	4.67	12,935.90
11	82482 Lbby Chivalry 24-pc set	503	24.29	12,217.87
12	379T Lbby Twny clr, 4 pk	3,042	3.95	12,015.98
13	82438T Lbby 24-pc Fjord set, tawny	548	21.86	11,979.28
14	2156CV/240 Anchr Hckng Roses clr, 4 pk	2,308	4.94	11,401.52
15	82496T Lbby Twny Entrtnr set, 24 pc	659	17.09	11,262.31
COOKWARE				
1	M433BP Ekco Bkr's Sct obng cake pan	12,456	3.59	44,717.04
2	M411BP Ekco Bkr's Sct ckie sht	9,118	4.04	36,836.72
3	M410BP Ekco Bkr's Sct ckie sht	8,214	3.59	29,488.26
4	M120BP Ekco Bkr's Sct 12-cp mfin pan	6,498	4.31	28,006.38
5	M426BP Ekco Bkr's Sct roast/bake	4,546	4.94	22,457.24
6	M447BP Ekco Bkr's Sct loaf pan	6,601	3.23	21,321.23
7	7993/143 Mirro 3-qt colander	3,294	5.39	17,754.66
8	R411 Ekco ckie sht	6,780	2.60	17,628.00
9	M160BP Ekco Bkr's Sct pizza pan	4,547	3.59	16,323.73
10	M408BP Ekco Bkr's Sct ckie sht	5,546	2.87	15,917.02
11	HM60SP Hlside sprng form pan	2,325	6.74	15,670.50
12	R433 13 Ekco roasting pan	6,775	2.24	15,176.00
13	HM50 Hlside sprng lyr cake, lse bot	1,912	6.92	13,231.04
14	M60BP Ekco Bkr's Sct 6-cp mfin	3,522	3.59	12,643.98
15	T120 Ekco 12-cp mfin pan	3,906	3.23	12,616.38

\$ Rank	Item	Unit Movement	Average \$ Retail	Total \$ Movement
RUBBERMAID				
1	2882 Cov. trash can 20 gal	2,706	14.39	38,939.34
2	2965 Laundry bskt, choc	5,833	5.57	32,489.81
3	2951 Dishpan, choc	10,245	3.14	32,169.30
4	2951 Dishpan, almond	9,441	3.14	29,644.74
5	2864 Flttop bskt, choc	3,421	8.09	27,675.89
6	2951 Dishpan, gold	8,645	3.14	27,145.38
7	2965 Laundry bskt, gold	4,499	5.57	25,059.43
8	2965 Laundry bskt, almond	4,385	5.57	24,424.45
9	2850 Bskt lift lid, choc	2,734	8.09	22,118.06
10	0450 Bath mat, white	6,798	3.23	21,957.54
11	0450 Bath mat, choc	6,731	3.23	21,741.13
12	6032 Dish drainer, choc	3,488	6.11	21,311.68
13	6032 Drainer, almond	3,463	6.11	21,158.93
14	0450 Bath mat, lt blue	6,549	3.23	21,153.27
15	2858 Step-On wastebskt, choc	1,586	12.59	19,967.74
PLASTICS				
1	364 Loma 32-gal rfs cntnr, lck lid	882	12.32	10,866.24
2	156 Rpbic Freezette 1 qt	3,612	2.96	10,691.52
3	T334 Tucker trash can 22 gal	1,086	8.99	9,763.14
4	SC510 Deka Strwbrry Shrtck mug	6,356	1.52	9,661.12
5	154 Rpbic Freezette 1 pt	3,171	2.96	9,386.16
6	5187 Rpbic 73-oz dcntr w/pt pth	5,211	1.79	9,327.69
7	SU510 Deka Smurfs mug 10 oz	6,099	1.52	9,270.48
8	E6244 Eagle ss 44-oz obng savor	5,082	1.79	9,096.78
9	E6242 Eagle 22-oz obng savor	7,215	1.25	9,018.75
10	E4470 Eagle cold cut savor	3,467	2.60	9,014.20
11	SU530 Deka Smurfs tumbler 11 oz	6,985	1.25	8,731.25
12	P80 Lusto 11-qt hvy dty pail, alum	3,216	2.69	8,651.04
13	S2121 Sterlite 1-qt refrig. bottle	6,788	1.25	8,485.00
14	LP-44 Lusto dcntr	3,957	2.05	8,151.42
15	E5984 Eagle jar savor	6,002	1.34	8,042.68

Source: HalMar Distributors, Holyoke, Mass. Jan. 1-Aug. 2, 1982.

Trucking Problem Is Over

The trucking slowdown which threatened the fourth quarter is over and it appears delivery schedules are back to normal.



With the course of the economy and fourth-quarter sales levels still up in the air, resolution of the trucking problem was critical for discount merchants relying on timely deliveries to keep inventory levels lean.

A more recent hitch is the strike of Rubbermaid employees at its Wooster, Ohio, facility which (at presstime) was slowing the flow of merchandise from this backbone resource.

According to Harold Rubin, vice president of HalMar Distributors, Holyoke, Mass., which supplied this Product Movement Audit, distributors and retailers had some warning this strike was looming. As a result, they were able to build up sufficient Rubbermaid inventories for all but a protracted strike period. At the outset of the strike there was no indication about its duration.

The Rubbermaid line, as the audit covering Jan. 1 through Aug. 2, 1982, indicates, continues to be dominated by sales of basic items. As in previous audits, the covered trash can, laundry baskets, dish pans and drainers are among the top 15 sellers. They appear in such staple Rubbermaid colors as chocolate, almond and gold.

Rubbermaid's seafoam green, introduced to an initially lukewarm retail reception, has been well-received by customers. Their response, still gathering momentum, may make seafoam Rubbermaid's most successful new color introduction ever, according to Rubin.

New faces are constantly appearing in the licensed-character segment of the plastics category. Their combined strength has prompted several chains to organize a 4-ft. character shop section in housewares featuring plastics, glassware and hanging goods, such as knife/fork sets.

New addition to the family.



COLOR RESTORER. Dupli-Color is proud to announce another new addition to the family. The only aerosol Color Restorer. Quick and easy-to-use, it restores the brilliance of your car's original paint job. The Dupli-Color family name has long been known for professional looking touch-up paints in aerosol cans or brush-in-cap bottles in

perfectly matching colors. Now there is another side to the family of which we are equally proud. Our color restorer, chrome spray, engine cleaner, degreaser, and ignition and silicone spray. They are all hard-working professionals on which you and your customers can rely.



NHMA Switches '84 Show Dates

CHICAGO—The National Housewares Manufacturers Association has announced a switch in show dates beginning 1984.

The 80th International Housewares Exposition will be held at McCormick Place on March 25-29, 1984. This means a nine-month wait between the July 1983 show and the first show of 1984.

The follow-up 1984 show will take place the week of Oct. 8, marking a first-time midweek show opening because of the religious holiday, Yom Kippur, falling during the preceding weekend. The NHMA expects to announce the specific date of the October 1984 show opening sometime this month.